



FINANCIAL STATEMENTS

March 31, 2019

Because we've got you, we've got this.

Queen Elizabeth II Health Sciences Centre Foundation

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Independent auditor's report

Grant Thornton LLP
Nova Centre, North Tower
Suite 1000, 1675 Grafton Street
Halifax, NS
B3J 0E9

T +1 902 421 1734
F +1 902 420 1068

To the members of the Board of Directors of the
Queen Elizabeth II Health Sciences Centre Foundation

Opinion

We have audited the financial statements of the Queen Elizabeth II Health Sciences Centre Foundation (the "Foundation"), which comprise the balance sheet as at March 31, 2019, and the statements of revenue, expenses and changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Queen Elizabeth II Health Sciences Centre Foundation as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Halifax, Canada
June 27, 2019

Chartered Professional Accountants
Licensed Public Accountants

Queen Elizabeth II Health Sciences Centre Foundation

Statements of revenue, expenses and fund balances

Years ended March 31				2019	2018
	Endowment fund	Designated fund	Undesignated fund	Total	Total
Revenue					
Annual giving	\$ 58,180	\$ 732,376	\$ 620,024	\$ 1,410,580	\$ 1,362,857
Planned giving	160,000	400,085	326,323	886,408	2,444,767
Major gifts	3,135,817	6,205,523	31,765	9,373,105	3,823,602
Fund development	86	569,001	5,257	574,344	565,962
Special events (note 6)	-	1,710,132	20,442	1,730,574	1,306,993
Gaming, net (note 7)	-	-	6,503,682	6,503,682	5,923,305
	<u>3,354,083</u>	<u>9,617,117</u>	<u>7,507,493</u>	<u>20,478,693</u>	<u>15,427,486</u>
Expenses					
Fundraising					
Annual giving	-	-	609,103	609,103	536,843
Planned giving	-	-	343,939	343,939	390,785
Major gifts	-	-	445,681	445,681	531,084
Special events (note 6)	-	528,270	258,851	787,121	518,007
Other fundraising	-	-	535,012	535,012	-
Administrative					
Administration	-	-	1,883,070	1,883,070	2,050,487
Public education	-	-	1,091,518	1,091,518	1,200,372
Donor recognition	-	-	200,818	200,818	168,163
	<u>-</u>	<u>528,270</u>	<u>5,367,992</u>	<u>5,896,262</u>	<u>5,395,741</u>
Excess of revenue over expenses before other income	3,354,083	9,088,847	2,139,501	14,582,431	10,031,745
Other income					
Investments, net (note 8)	1,427,079	-	956,309	2,383,388	2,089,782
Excess of revenue over expenses	<u>\$ 4,781,162</u>	<u>\$ 9,088,847</u>	<u>\$ 3,095,810</u>	<u>\$ 16,965,819</u>	<u>\$ 12,121,527</u>
Fund Balances					
Fund balances, beginning of year	\$ 33,593,809	\$ 28,895,749	\$ 5,828,667	\$ 68,318,225	\$ 64,828,553
Excess of revenue over expenses	4,781,162	9,088,847	3,095,810	16,965,819	12,121,527
Fund disbursements (note 9)	(796,459)	(6,591,914)	(1,233,714)	(8,622,087)	(8,631,855)
Interfund transfers (note 10)	1,590,834	(450,515)	(1,140,319)	-	-
Fund balances, end of year	<u>\$ 39,169,346</u>	<u>\$ 30,942,167</u>	<u>\$ 6,550,444</u>	<u>\$ 76,661,957</u>	<u>\$ 68,318,225</u>

Queen Elizabeth II Health Sciences Centre Foundation

Balance Sheet

Years ended March 31

2019

2018

	Endowment fund	Designated fund	Undesignated fund	Total	Total
Assets					
Current					
Cash	\$ -	\$ 6,819,309	\$ 3,680,288	\$10,499,597	\$13,708,321
Cash held for lottery	-	-	3,296,661	3,296,661	6,484,187
Pledges receivable (note 3)	1,672,768	2,096,537	173,387	3,942,692	2,404,791
Receivables and other	4,654	374,851	411,240	790,745	909,510
Prepays	-	26,051	343,926	369,977	127,199
	<u>1,677,422</u>	<u>9,316,748</u>	<u>7,905,502</u>	<u>18,899,672</u>	<u>23,634,008</u>
Pledges receivable (note 3)	342,615	2,364,179	97,530	2,804,324	1,945,049
Investments, at market value (note 4)	37,283,262	20,054,969	2,575,069	59,913,300	50,581,745
Capital assets (note 5)	-	-	535,676	535,676	366,667
	<u>\$39,303,299</u>	<u>\$ 31,735,896</u>	<u>\$ 11,113,777</u>	<u>\$ 82,152,972</u>	<u>\$ 76,527,469</u>

Liabilities and fund balances


Liabilities


Current

Unearned revenue	\$ -	\$ 70,365	\$ 3,246,820	\$ 3,317,185	\$ 3,321,196
Payables and accruals	133,953	723,364	587,158	1,444,475	3,938,626
Payable to Queen Elizabeth II Health Sciences Centre	-	-	26,251	26,251	310,718
	<u>133,953</u>	<u>793,729</u>	<u>3,860,229</u>	<u>4,787,911</u>	<u>7,570,540</u>
Employee pension plan benefits (note 11)	-	-	703,104	703,104	638,704
Fund balances	<u>39,169,346</u>	<u>30,942,167</u>	<u>6,550,444</u>	<u>76,661,957</u>	<u>68,318,225</u>
	<u>\$39,303,299</u>	<u>\$31,735,896</u>	<u>\$11,113,777</u>	<u>\$82,152,972</u>	<u>\$76,527,469</u>

Commitments (note 12)

On behalf of the Board


Trustee
Lydia Bugden


Trustee
Victor J. Gouvanho

Queen Elizabeth II Health Sciences Centre Foundation

Statement of cash flows

Years ended March 31

2019

2018

Increase (decrease) in cash

Operating

Excess of revenue over expenses	\$16,965,819	\$12,121,527
Fund disbursements	(8,622,087)	(8,631,855)
Amortization	79,793	73,159
Loss on disposal of capital assets	15,853	-
Realized income and gains on investments	(2,382,795)	(2,174,885)
Unrealized change in market value of investments	82,543	80,425
	<u>6,139,126</u>	<u>1,468,371</u>
Changes in non-cash working capital		
Pledges and accounts receivable	(2,278,411)	317,193
Prepays	(242,778)	(37,155)
Unearned revenue	(4,011)	(1,925)
Payables and accruals	(2,494,151)	3,604,307
Payable to Queen Elizabeth II Health Sciences Centre	(284,467)	(1,164,882)
Employee Future Benefits	64,400	60,699
Subtotal	<u>(5,239,418)</u>	<u>2,778,237</u>
	<u>899,708</u>	<u>4,246,608</u>

Investing

Net additions from investments	(7,031,303)	(904,479)
Investment in capital assets	(264,655)	(35,651)
Net change in cash held for lottery	3,187,526	(3,486,635)
	<u>(4,108,432)</u>	<u>(4,426,765)</u>

Net decrease in cash

(3,208,724) (180,157)

Cash

Beginning of the year	<u>13,708,321</u>	<u>13,888,478</u>
End of the year	<u>\$10,499,597</u>	<u>\$13,708,321</u>

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

1. Nature of operations

The Queen Elizabeth II Health Sciences Centre Foundation (the “Foundation”) is a not-for-profit organization established to raise and receive funds to support patient care, education and research at the Queen Elizabeth II Health Sciences Centre (the “Health Centre”). The Foundation is a registered trust under the Income Tax Act and as such, is not subject to income tax.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”). The significant policies are detailed as follows:

Fund accounting

The Foundation follows the Restricted Fund method of accounting for donations.

The Designated Fund, representing amounts received from donors and special events, is to be used to provide grants toward expenditures for hospital programs, equipment needs and other payments as specified by the donor on the receipt of the contributions.

The Undesignated Fund represents amounts for which a specific purpose has not been identified by the donor and includes funds which have been internally restricted by the Foundation’s Board of Trustees to be used for specific purposes compatible with the objectives of the Foundation.

The Endowment Fund represents amounts received where the donor has specified that the resource contributed be permanently maintained, as well as amounts transferred as approved by the Board of Trustees to be held for endowment purposes. Investment income generated on endowments must be used in accordance with the various purposes established by the donor or the Board of Trustees. The Foundation has established an Endowment Management policy that limits the amount of income that may be expended in order to protect the purchasing power of the capital base of endowments while achieving stability in year-to-year spending.

Revenue recognition

Unrestricted donations are recognized as revenue of the Undesignated Fund when received. The gross amount of gaming revenue received for lottery ticket sales, net of any expenses incurred to date, is recorded as cash held for lottery and unearned revenue until the lottery draw occurs and the remaining expenses are paid.

Restricted donations are recognized as revenue of the Designated Fund. Donations are considered restricted when specifically restricted by the donor and when received for a specific campaign.

Contributions where the capital resource is to be maintained permanently are recognized as revenue of the Endowment Fund.

Pledges are recorded as receivables at the time they are pledged net of allowances for amounts not considered collectible.

Licensing fees are recognized as revenue of the Undesignated Fund when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donated insurance policies are recognized into income at their estimated fair value on the date ownership is transferred to the Foundation. The Foundation has recognized \$Nil (2018 - \$357,393) of donated insurance policies into income during the year.

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost and amortized using the straight-line method over the estimated useful lives of the assets as follows:

Leasehold improvements	Remaining lease term
Office equipment and furniture	5 years
Computer equipment	5 years

Financial instruments

Financial instruments are recorded at fair value on initial recognition. Financial instruments that are quoted in an active market such as equities and bonds are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry investments in pooled funds at fair value with changes in fair value recognized in net income in the period in which they arise. Fair value is measured as the closing price of an investment on an active quoted market.

Investments in pooled funds with underlying investments in equities or bonds and debentures or short term deposits and cash are valued based on the latest unit values supplied by the external pooled fund investment manager. This represents the Foundation's proportionate share of underlying net assets at fair value determined using closing market prices.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the effective interest rate method.

The financial instruments measured at amortized cost are cash, cash held for lottery, pledges receivable, receivables and other, investments, and payables and accruals.

For financial assets measured at cost or amortized cost, the Foundation regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Foundation determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

All undesignated and designated investment income earned is recognized as revenue of the Undesignated Fund. Endowment investment income is recognized as revenue of the Endowment Fund.

Investments are subject to interest, currency and credit risk. These risks are mitigated through the use of professional investment managers and appropriate asset, sector and geographic allocations.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known. Items subject to significant management estimates include the allowance for pledge receivables, unfunded pension plan liabilities, and fair value of investments.

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

2. Summary of significant accounting policies (continued)

Donated materials and services

Donated materials and services are recorded in the financial statements when the fair value of these items can be reasonably estimated. The Foundation has recognized \$72,500 (2018 - \$57,050) as donated materials and services during the year. Donated materials included in capital assets for the Health Centre such as equipment and furniture, as well as advertising, media coverage, and promotional items.

Cash

Cash in the bank is currently in an interest bearing account yielding interest at prime less 1.75% for closing daily balances.

Employee future benefits

The Foundation has a multi-employer defined benefit plan and registered retirement savings plan, both of which have been accounted for as defined contribution plans.

The Foundation also has a Supplemental Employee Pension Plan, for which it accrues the estimated liability payable in subsequent years according to its policy. The retirement benefit is actuarially determined using the projected benefit method prorated on service.

3. Pledges receivable

Pledges receivable are recorded net of write-offs and allowances for amounts not considered collectable as follows:

	<u>2019</u>	<u>2018</u>
Pledges receivable	\$ 7,071,611	\$ 5,080,856
Allowances	<u>(324,595)</u>	<u>(731,016)</u>
Pledges receivable, net of allowances	<u>\$ 6,747,016</u>	<u>\$ 4,349,840</u>
Comprised of:		
Current portion	\$ 3,942,692	\$ 2,404,791
Long term	<u>2,804,324</u>	<u>1,945,049</u>
	<u>\$ 6,747,016</u>	<u>\$ 4,349,840</u>
Continuity of allowances:		
Balance, beginning of year	\$ 731,016	\$ 478,892
Write-offs	<u>(1,000,815)</u>	<u>(400,573)</u>
Increase in allowances	<u>594,393</u>	<u>652,697</u>
Balance, end of year	<u>\$ 324,594</u>	<u>\$ 731,016</u>

Pledges recognized in revenue during the year totalled \$8,620,825 (2018 - \$2,778,822).

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

4. Investments, at market value

The Foundation invests in accordance with its investment policies approved by the Board of Trustees. The policies provide financial objectives, asset mix and permitted investment guidelines for each investment account type. The Foundation invests primarily in pooled funds managed by external investment managers.

The nature and fair value of the underlying investments held within these pooled funds, for each investment account type, are as follows:

	<u>2019</u>	<u>2018</u>
Undesignated		
Cash and short term deposits	<u>\$ 2,575,069</u>	\$ -
Designated		
Cash and short term deposits	4,033,575	2,722,789
Bonds and debentures	9,924,899	9,025,917
Equities	<u>6,096,495</u>	<u>6,092,387</u>
	<u>20,054,969</u>	<u>17,841,093</u>
Endowment		
Cash and short term deposits	4,096,602	1,838,831
Bonds and debentures	11,395,505	11,709,776
Equities	<u>21,791,155</u>	<u>19,192,045</u>
	<u>37,283,262</u>	<u>32,740,652</u>
	<u>\$ 59,913,300</u>	<u>\$ 50,581,745</u>

Investment Manager quarterly management fees are paid in accordance with Investment Management Agreements. The quarterly fees are calculated using a decreasing sliding scale percentage (0.75% - 0.20%) based on market value. In 2019, the total investment management fees paid were \$372,770 (2018 - \$357,656).

5. Capital assets

		<u>2019</u>	<u>2018</u>
	Cost	Accumulated amortization	Net book value
Leasehold improvements	\$ 285,339	\$ 77,876	\$ 207,463
Office equipment and furniture	233,138	136,882	96,256
Computer equipment	<u>256,018</u>	<u>24,061</u>	<u>231,957</u>
	<u>\$ 774,495</u>	<u>\$ 238,819</u>	<u>\$ 535,676</u>

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

6. Special events

	Gifts in kind	Cash	2019	2018
Revenue				
Ride for Cancer	\$ 72,500	\$ 907,283	\$ 979,783	\$ 851,670
Community Initiatives		631,026	631,026	455,323
Heart Heroes	-	119,765	119,765	-
	<u>72,500</u>	<u>1,658,074</u>	<u>1,730,574</u>	<u>1,306,993</u>
Expenses				
Ride for Cancer	72,500	283,290	355,790	268,757
Community Initiatives		94,674	94,674	70,576
Heart Heroes	-	78,255	78,255	-
General	-	258,402	258,402	178,674
	<u>72,500</u>	<u>714,621</u>	<u>787,121</u>	<u>518,007</u>
Excess of revenue over expenses from Special events	\$ -	\$ 943,453	\$ 943,453	\$ 788,986

7. Gaming

	2019	2018
Revenue		
Home Lottery	\$ 18,339,299	\$ 17,478,163
Workin' To Win	147,515	130,450
	<u>18,486,814</u>	<u>17,608,613</u>
Expenses		
Home Lottery	11,929,680	11,627,810
Workin' To Win	53,108	53,108
Gaming Administration	344	4,390
	<u>11,983,132</u>	<u>11,685,308</u>
Excess of revenue over expenses from gaming	\$ 6,503,682	\$ 5,923,305

8. Investments

	2019	2018
Revenue	\$ 2,756,158	\$ 2,447,438
Expenses	372,770	357,656
	<u>\$ 2,383,388</u>	<u>\$ 2,089,782</u>

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

9. Fund disbursements

The following significant items were included as disbursements from the various funds.

	2019	2018
Undesignated Fund		
Surgical Robotic System	\$ 663,750	\$ -
Comfort and Care Grants	116,494	-
Atlantic Canada Clinical Research Unit (ACCRU)	82,200	187,500
Tumor Bank	64,000	-
Canadian Cancer Society - Pancreatic Research	50,000	50,000
Dalhousie University - Support Research Training	50,000	50,000
NSHA Research Services - Dragon's Den	50,000	-
Neurosurgery Microscope	-	112,208
Pyxis Units	-	62,376
Flex Focus Ultrasound	-	33,667
Other disbursements	157,270	43,461
	<u>1,233,714</u>	<u>539,212</u>
Designated Fund		
Simulation Learning Centre	1,389,044	93,104
Hospice Halifax	1,000,000	-
Revitalizing Rehab - Assisted Living Suites	432,549	254,887
Mental Health (Staying Connected)	395,604	143,623
Leukemia and Lymphoma Society	284,496	278,750
Retinal Neural Imaging	195,000	-
NSHA Research Services - PDL Testing	184,960	-
Heart Health Innovation Fund	184,243	-
NSHA Research Services - Research Matching Funds	150,994	-
Electrophysiology Laboratory	144,792	130,000
Inflammatory Bowel Disease Program	141,928	-
Inherited Heart Disease Clinic	117,713	-
Clinical Preoperative Equipment	109,900	246,102
Multi Organ Transplant Program Fellowship	96,658	-
Skills Centre for Health Services	96,017	-
Urology Research Development	75,000	85,000
Radiation Oncology Research	68,000	-
Fountain Family Innovation	60,832	-
Ambulatory Care Clinics	34,386	166,964
Maritime Heart Centre - Catherization Lab	-	2,000,000
IWK - Phase 2 Breast Health Centre	-	888,429
Academic Neurosciences Project	-	383,805
Pathology Research - PDL Testing	-	226,996
Endobronchial System & Patient Treatment Area	-	192,773
Rehabilitation Pool	-	185,618
Fibromyalgia Research Grant	-	175,000
Breast Cancer Research	-	150,000
Recipe for Health Project	-	100,000
Ophthalmology Research Grant	-	97,500
Other disbursements	1,429,798	1,536,185
	<u>6,591,914</u>	<u>7,334,736</u>
Endowment Fund	<u>796,459</u>	<u>757,907</u>
	<u>\$ 8,622,087</u>	<u>\$8,631,855</u>

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

10. Interfund transfers

During the year, funds were transferred between the Undesignated, Designated, and Endowment Funds as follows:

	<u>Endowment</u>	<u>Designated</u>	<u>Undesignated</u>
Endowed Chairs Capital	\$ 1,587,500	\$ -	\$ (1,587,500)
Research Matching Fund	-	582,500	(582,500)
Other Transfers	3,334	(1,033,015)	1,029,681
Total interfund transfers	\$ 1,590,834	\$ (450,515)	\$ (1,140,319)

Interfund transfers for the 2019 fiscal year consisted of attributions from the Undesignated Fund to various campaigns in the Designated and Endowment Funds as approved by the Board of Trustees.

11. Employee pension plan benefits

The Foundation has an RRSP matching agreement with select employees employed prior to March 1, 2007. The Foundation will match an employee's RRSP contribution up to a maximum of 5% of the employee's salary.

The Foundation is a member of a multi-employer defined benefit pension plan administered by Health Association Nova Scotia ("HANS"). The most recent actuarial valuation was conducted on July 1, 2017 for the December 31, 2017 year end and indicated a funding ratio of 106.5%. Existing employees that are enrolled in the RRSP matching agreement can choose to join the Nova Scotia Health Employees Pension Plan ("NSHEPP") or stay with the original Plan. New employees, after March 1, 2007, must join the NSHEPP.

During 2002, the Foundation established an unfunded Supplemental Pension Plan arrangement also administered by HANS, covering certain of its senior management employees. The benefits are based on years of service and final average salary. The most recent actuarial valuation for funding purposes on this plan was conducted on April 13, 2017 for the March 31, 2019 year end.

The total cost for these plans recognized in the current year is \$299,983 (2018 - \$284,251).

The funded status of the Supplemental Pension Plan is as follows:

	<u>2019</u>	<u>2018</u>
Accrued benefit obligation and liability	\$ 703,104	\$ 638,704

The Foundation has sufficient undesignated net assets to meet the current obligations of the Supplemental Pension Plan.

12. Commitments

The Foundation leases office space under an operating lease which expires on April 30, 2026. The minimum lease commitments relating to this for the next five years are as follows:

2019	\$ 292,219
2020	286,642
2021	286,642
2022	286,642
2023	286,642

The Foundation issues non-binding multi-year commitments to the QEII Health Sciences Centre (Nova Scotia Health Authority) to support the purchase of equipment and technology, improve patient care and support and fund research and education initiatives. The total of these commitments at March 31, 2019 is \$1,436,305 (2018 - \$4,998,943).

Queen Elizabeth II Health Sciences Centre Foundation

Notes to the financial statements

March 31, 2019

13. Comparative figures

Certain of the comparative figures for the prior year have been reclassified to conform to the financial statement presentation adopted for the current period.



About the QEII Foundation

The QEII Foundation inspires generosity to advance health care at the QEII Health Sciences Centre. With financial support from all levels of the community, the QEII Foundation helps fund new technologies, medical research, innovation and professional education that contribute to life-changing moments experienced every day by patients and their loved ones. By working together with people who share a vision of better health, the Foundation strengthens care delivered at the QEII, improving the health and lives of Atlantic Canadians.